



## OFFERING MEMORANDUM

516 N Spaulding Ave

LOS ANGELES, CA 90036

**4 UNITS**

Stellar Location

High demand rental area

First time on the market in 50+ years

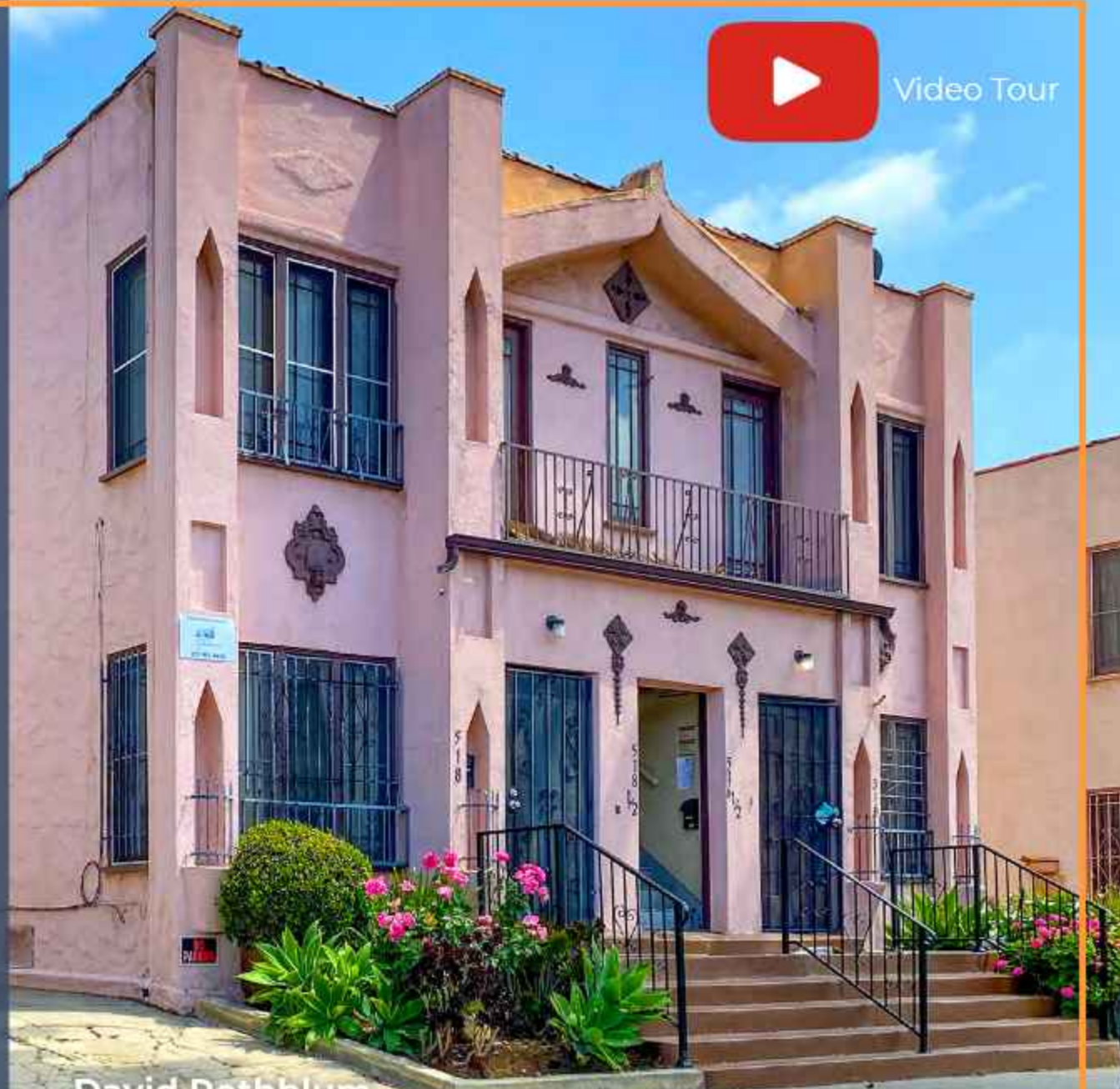
List Price: \$1,795,000

**David Weinberger**  
Executive Vice President  
818.970.0915  
david@theseymourgroup.net  
DRE #01349349

**David Rothblum**  
Probate & Trust Sales Director  
818.400.0803  
DR@MaxOneProperties.com  
DRE #01332525



Video Tour



**RE/MAX**  
— ONE —

# TABLE OF CONTENTS

<b>01</b>	<b>EXECUTIVE SUMMARY</b>	
	Executive Summary .....	3
<b>02</b>	<b>PROPERTY HIGHLIGHTS</b>	
	Property Highlights .....	6
	Property Photos .....	8
	Location .....	11
<b>03</b>	<b>FINANCIALS</b>	
	Financials .....	17
	Rent Roll .....	19
	Lease Comps .....	20



---

# EXECUTIVE SUMMARY





## EXECUTIVE SUMMARY

### OVERVIEW

Units	4
Year Built	1926
List Price	\$1,795,000
Lot Sq Ft	5,723
Bldg Gross Sq Ft	3,968
Parking Spaces	4
Zoning	LARD1.5
Location	Amazing
Opportunity	Rare

516 N. Spaulding, built in 1926 consists of 3,968 Sq. Ft. This 1920's character driven building is comprised of (4) 2 Bedroom + 1 Bathroom units and resides on a 5,723 Sq. Ft. Lot. There are 4 garages which makes parking easy for tenants. The property is in a stellar location where properties are owned for many generations and opportunities like this "seldomly" become available to buyers.





4

Total Units



1926

Year Built



3,968 SF

Building Size



5,723 SF

Lot Size



4

Parking Spaces

---

# PROPERTY HIGHLIGHTS







## THE OPPORTUNITY:

516 N. Spaulding is exactly what you are seeking in a residential income property. A charming 1920's building located in a highly sought-after location near trendy eateries, shopping, and ample employment opportunities.



## OWNER/USER OPTION:

Live in one of the units and offset your mortgage with rental income from the other units. Imagine owning a fourplex at the fraction of a price of a condo or townhome in the same location.



## INVESTOR OPTION:

Rent the units out to achieve cashflow and make renovations as needed to achieve market rents along with an area known for consistent appreciation.



## RARITY OF SALE:

First time available on the market in 50+ years.



## LOCATION, LOCATION, LOCATION:

This charmer is mere walking steps away from world class eateries, fashion forward shopping opportunities, the famed Farmer's market.



## EXCEPTIONAL FINANCING / LOAN OPTIONS:

Buyers can acquire the property with historically low interest rates and attractive financing options including a 30 year fixed rate.







516 N Spaulding Ave

516 N SPAULDING AVE





# AREA HIGHLIGHTS

3 Miles

to  
HOLLYWOOD  
BOWL

2 Miles

to  
SUNSET  
STRIP

0.8 Miles

to  
THE  
GROVE

2 Miles

to  
BEVERLY  
CENTER

1.4 Miles

to  
SHOPS ON  
3RD ST.

516 N SPAULDING AVE






---

# LOCATION



## ABOUT THE FAIRFAX DISTRICT



The Fairfax District, an undefined area of Los Angeles, has gained popularity in recent years for its eclectic nature on Melrose, to fine furniture on Beverly. Historically home to mostly Orthodox Jews, it's now a great mix of what was with fresh faces and fantastic food. Including the Farmer's Market (a true gem) and the newer grove, plus numerous shops, restaurants, and bars, the Fairfax district has a ton to offer in terms of "real" LA.



Bordered by West Hollywood and Beverly Hills and stretching down to the Miracle Mile on Wilshire, the Fairfax District (also known by the inauspicious pseudonym Mid City West) may not necessarily invoke the glamour or glitz of its more famous neighbors, but intrepid tourists will find here numerous points of interests for any palette.





With over 100 vendors offering goods and services in the Farmers market, there has to be one that could satisfy even the pickiest of eaters. The more popular amongst the numerous food stalls is Pampas Grill. The Brazilian stall almost always has a line of people milling around the stall awaiting their turn to order thinly sliced sirloin caps or garlic roasted chicken amongst other choices with the buffet styles sides of plantains or rice and beans.

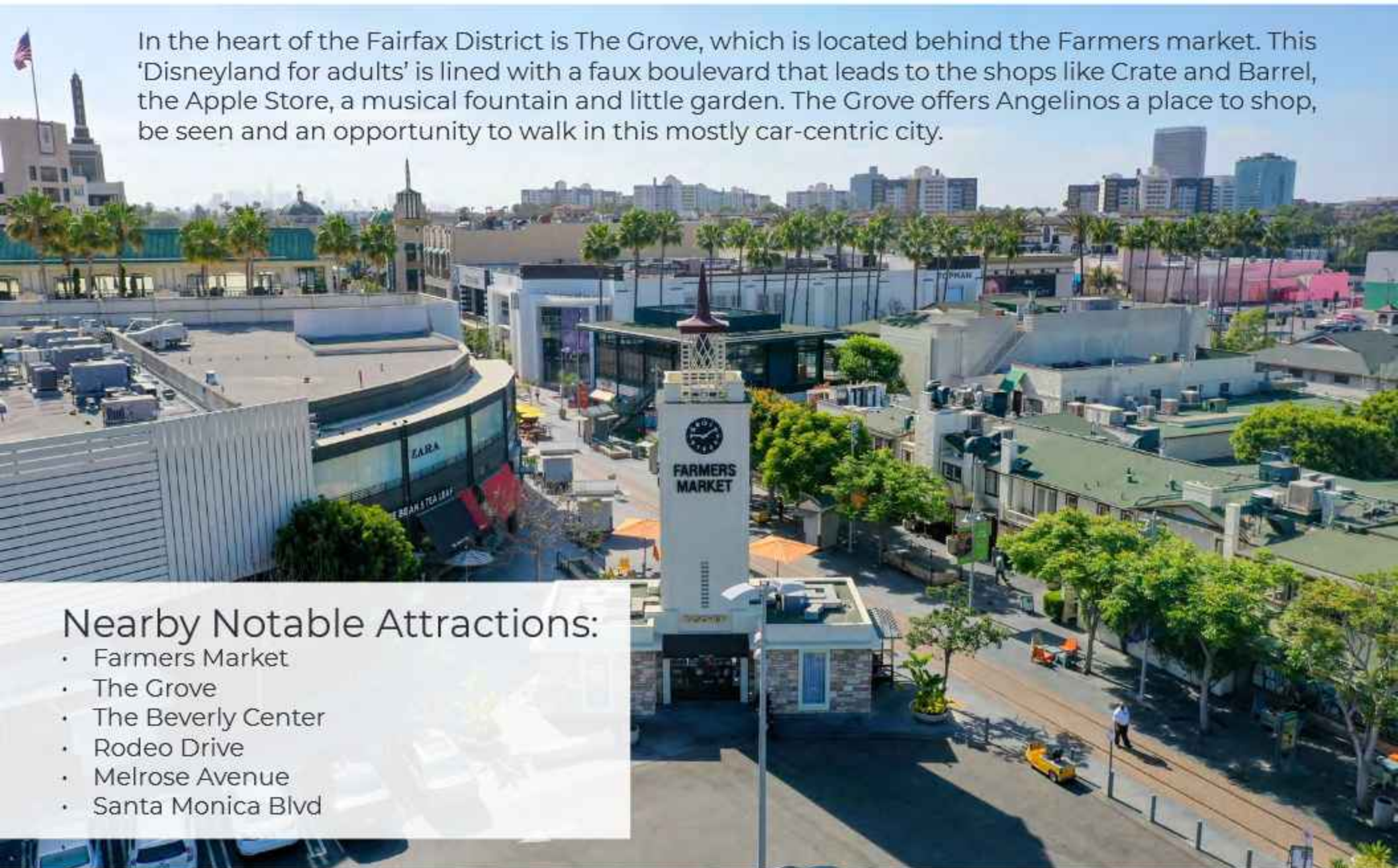




In the heart of the Fairfax District is The Grove, which is located behind the Farmers market. This 'Disneyland for adults' is lined with a faux boulevard that leads to the shops like Crate and Barrel, the Apple Store, a musical fountain and little garden. The Grove offers Angelinos a place to shop, be seen and an opportunity to walk in this mostly car-centric city.

### Nearby Notable Attractions:

- Farmers Market
- The Grove
- The Beverly Center
- Rodeo Drive
- Melrose Avenue
- Santa Monica Blvd







**90** Walker's Paradise

Daily errands do not require a car.



**54** Good Transit

Many nearby public transportation options.



**64** Bikeable

Flat as a pancake, minimal bike lanes.





---

# FINANCIALS





# FINANCIALS

## FINANCIAL INDICATORS

Offering Price	\$1,795,000
Current CAP	3.7%
Market CAP	4.8%
Current GRM	18.1
Market GRM	15.0
Cost Per SF	\$452
Cost Per Unit	\$448,750
Cash on Cash Return	3.7%
Expenses Per Unit	\$7,814
Expenses Per Sq Ft.	\$7.88

## ESTIMATED ANNUALIZED EXPENSES

New Property Taxes	\$21,542
Property Insurance	\$1,587
Trash	\$3,986
Electrical	\$639
Water	\$2,061
Gardening	\$840
Pest Control	\$600
<b>Total Estimated Expenses</b>	<b>-\$31,256</b>

## SOURCE OF INCOME

# of Units	Unit Type	Avg. Rent	Total	Avg. Rent	Total
4	2 Bed / 2 bath	\$2,063	\$8,253	\$2,400	\$9,600
<b>Total Rental Income</b>			<b>\$8,253</b>		<b>\$9,600</b>
Garage Income			<b>\$0</b>		<b>\$400</b>
<b>Total Monthly Income</b>			<b>\$8,253</b>		<b>\$10,000</b>
<b>Total Annual Income</b>			<b>\$99,034</b>		<b>\$120,000</b>

## CURRENT RENTS

## MARKET RENTS

## BUILDING DATA

Units	4
Year Built	1926
Lot Sq Ft.	5,723
Bldg Gross Sq Ft.	3,968
Parking Spaces	

## EST. ANNUALIZED OPERATING DATA

		CURRENT		MARKET
Scheduled Gross Income		\$99,034		\$120,000
Less Vacancy	2.0%	(\$1,981)	2.0%	(\$2,400)
Gross Operating Income		\$97,053		\$117,600
Less Expenses	32%	(\$31,256)	26%	(\$31,256)
<b>Net Operating Income</b>		<b>\$65,797</b>		<b>\$86,344</b>

## UNDERWRITING NOTATIONS:

Pro Forma rents represent all units at adjusted market rents. Market rents are underwritten using comparable market rents and assume that the buyer will upgrade the units to market levels, with similar features, upgrades, and amenities as surrounding area properties.

- Vacancy loss is underwritten at 2%, which is common for a residential income asset located in this area.
- Real estate taxes are calculated based on the proposed pricing at an ad valorem rate of 1.200129% on
- Property Insurance: Underwritten at .40 per SF
- Trash based upon actual expenses from 2019-2020
- Electrical based upon actual expenses from 2019-2020
- Water based upon actual expenses from 2019-2020
- Gardening based on a Pro-Forma of \$70.00 per month
- Pest Control based upon a Pro-Forma of \$50.00 per month



## RENT ROLL

UNIT	STATUS	UNIT TYPE	SF	CURRENT RENT	POST RENOVATION MARKET RENT
516	Tenant	2 Bed / 1 Bath	992	\$2,095	\$2,350
516.5	Tenant	2 Bed / 1 Bath	992	\$2,350	\$2,450
518	Tenant	2 Bed / 1 Bath	992	\$1,800	\$2,350
518.5	Tenant	2 Bed / 1 Bath	992	\$2,008	\$2,450
			<b>3,968</b>	<b>\$8,253</b>	<b>\$9,600</b>



---

# LEASE COMPARABLES





## 2+1 LEASE COMPARABLES

Property	Units	Year Built	Sq. Ft.	Rent
425 N. Ogden Dr #1	4	1928	1,300	\$2,650
441/2 N Orange Grove Ave	4	1926	1,070	\$2,700
458 N Genesee Ave #4601/2	4	1928	1,200	\$2,800
168 S Sycamore Ave	4	1925	1,359	\$2,750
446 1/2 N Curson Ave	4	1930	1,200	\$2,750
<b>Averages</b>	<b>4</b>	<b>1927</b>	<b>1,225</b>	<b>\$2,730</b>



---

All materials and information received or derived from KW Commercial its directors, officers, agents, advisors, affiliates and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, financial performance of the property, projected financial performance of the property for any party's intended use or any and all other matters.

Neither KW Commercial its directors, officers, agents, advisors, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of the any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significance to such party. KW Commercial will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing.

#### EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. KW Commercial makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. KW Commercial does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by KW Commercial in compliance with all applicable fair housing and equal opportunity laws. We obtained the information above from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions or estimates for example only, and they may not represent current or future performance of the property. You and your tax and legal advisors should conduct your own investigation of the property and transaction.



4061 LAUREL CANYON BLVD, STUDIO CITY, CA

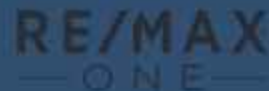
[www.TheSeymourGroup.net](http://www.TheSeymourGroup.net)

David Weinberger  
Executive Vice President  
818.970.0915  
[david@theseymourgroup.net](mailto:david@theseymourgroup.net)  
DRE #01349349

David Rothblum  
Probate & Trust Sales Director  
818.400.0803  
[DR@MaxOneProperties.com](mailto:DR@MaxOneProperties.com)  
DRE #01332525



DRE #01428774



Each office is independently owned and operated.